



March 1, 2023

To: Senate Budget and Taxation Committee

From: Horizon Farm Credit

Bill: **SB 547 – Broadband Expansion**

Position: **SUPPORT**

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Horizon Farm Credit is a member-owned cooperative supporting rural communities and agriculture with reliable, consistent credit and financial services throughout our five-state lending territory in good times and bad. With over \$6 billion dollars in loans outstanding to nearly 23,000 member-owners representing the full range of agriculture, we are one of the largest agricultural lenders on the East Coast.

The deployment of rural broadband is one of our association's leading public policy concerns for Maryland. The proper deployment of broadband, and in particular in rural areas, will further support economic growth of our communities and will give the agriculture industry the tools necessary to adopt the latest technology.

Like many sectors, technology is revolutionizing agriculture. Most of these technological advances are supported by a strong backbone of broadband infrastructure. Maryland farmers are embracing precision agriculture that allows them to reduce their nutrient applications, or use of pesticides, but those systems require strong internet connectivity. Modern barns can be controlled remotely to allow for increased heating or cooling, depending on the outdoor temperatures, but again those applications require broadband infrastructure. And on the day-to-day tasks of running a business, like monitoring markets, digital banking or social media promotion of their products, farmers need reliable broadband service.

SB 547 will exclude grants awarded for broadband expansion from state taxes. Such a move would allow companies in the business of deploying broadband to further invest more of their capital into the infrastructure needed to connect more Maryland communities to reliable broadband service. We appreciate the administration's efforts to seek creative solutions to incentivize greater investment in broadband.

**Horizon Farm Credit SUPPORTS SB 547.**

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